White Paper re Parcel Mapping Fund Concept

Prepared by Gail M. Ewart, GISP, GIO State of Idaho, at the request of the Director of the Department of Administration and the Governor

Need

A statewide digital parcel map, including an improved reference grid, requires good quality digital parcel databases from all Idaho counties. Many Idaho counties do not have sufficient resources to modernize their parcel maps. Even affluent counties have challenges in meeting the need. Additional resources are required to integrate the 44 pieces into a statewide dataset and provide access to it.

Concept

Establish a fund to improve parcel mapping, statewide integration, and availability.

<u>Description</u>

Spatial information is critical to today's decision-making. Citizens, businesses and all Idaho governments need parcel databases to perform routine functions efficiently and make long-term planning and management decisions with confidence. States across the nation and next door have established similar mechanisms to improve quality, sustain maintenance, and assure access to parcel maps statewide. They are now enjoying operational efficiencies, increased public safety, improved decisions, and the ability to better serve their citizens. Studies show that counties with broad access to parcel data enjoy increased economic activity. Parcels for the Nation and similar efforts are advancing with increasing momentum. This concept is aligned with those efforts.

Examples of use	
Wildfire planning & response	Emergency dispatch/response
Transportation planning	Census 2010 and beyond
Invasive species management	Economic development & tourism
Fair & equitable assessment	Funding & accountability
Energy planning	Election management
Flood planning & response	Land use planning & zoning

Updated 11/09

Fiscal Analysis

Idaho's statewide GIS Business Plan (2008) estimates that it will cost \$5.63 million and take about five years to develop Framework Parcels and Cadastral Reference databases and establish a dependable maintenance workflow. Thus, \$1 million is needed annually for five years to fully fund the effort. The amount required beyond \$5M will be made up by counties, state and federal agencies and private sector partners already allocating resources to these activities.

Funding Mechanism

Three ideas have surfaced thus far.

- 1) Montana, Oregon and Utah (among others) established a flat fee on recorded instruments transferring title to land. Recorders collect this fee at the time of recordation and disburse it to a fund. In some cases, a percentage goes directly to the county (Recorders and/or Assessors) and the balance goes to a state agency that manages the program. Data from County Recorders indicate that approximately 100,000 documents transferring land title were recorded in 2008. If a fee based on land transfer recordings is the chosen route and if 2008 is a typical year, the fee would be \$10 (assuming that the entire fee goes to the fund).
- 2) Establish a parcel verification fee. In this scenario a fee is levied to verify the parcel location, geometry and attributes on a per parcel basis on recorded documents affecting title to land. We do not have data indicating how many parcels fall into this definition, but if we assume it is similar to the number of document recordings transferring title to land, the fee would be \$10. If more than one parcel is affected, then additional parcels could be slightly discounted (\$7), with a maximum fee specified if desirable. This approach is similar to the floodplain certification fee (\$30) currently paid through escrow. In order to be successful, a method of including quitclaim deeds and other non-escrow transfers must be identified.
- 3) Add \$1-2 per parcel on property tax bill. This approach provides stability, is evenly applied to all "users" (property owners), has a collection mechanism in place, and the amount is modest. We are calculating the number of taxable properties to better estimate the amount required to generate \$1M annually, but the levy would not exceed \$2 (assuming the entire amount goes to the program). This approach may not be viable since it could lead to foreclosure if the small levy is not paid. Is there a workaround?

Legal Environment

According to Idaho law, County Assessors are responsible for land records, and the Assessors' offices are usually the business entity creating and maintaining parcel maps. Another Idaho statute permits counties to charge fees associated with their computerized mapping system (I.C. §31-875). County policies vary widely, with some counties distributing data for the nominal cost of distribution to others charging over \$10,000 per distribution. Since this law was established, it has become routine for parcel maps and related records to be kept digitally and made available online. It may be appropriate to review this statute in light of current practices. Accumulating case law is strongly supportive of free (less than \$100) access to digital county parcel databases.

Updated 11/09

Many acknowledge that it is only a matter of time before Idaho's statute is challenged. In fact, one case in north Idaho (Sentry Dynamics v. Bonner County, 2006) ended in the County providing the data. Citizens, other governments and businesses are demanding that parcel information be readily accessible, and the pressure will only intensify.

The Program

Governance varies from state to state. In Oregon, the Dept of Revenue houses the program, and governance is provided through a policy advisory committee, a technical advisory committee, and a program coordinator. The PAC and TAC are populated mostly by county personnel, with a sprinkling of state and federal representatives, surveyors and other interested parties. The funds are distributed via competitive proposals based on collaboratively developed goals and criteria. Gradually all counties improve their parcel maps, and the state program personnel integrate the maps into a single dataset and make it available. Regardless of specifics, counties would always maintain and manage their data.

Issues, Considerations and Alternatives

After initial development and integration, we anticipate the ability to lower the fee and still provide adequate funds for maintenance and access.

If County Recorders collect and disburse fees, it is appropriate for some portion of the fee to be apportioned to support their operations.

Title companies could collect and disburse the verification fees rather than County Recorders. Can another approach be identified that captures quitclaims deeds as well?

Legislation is being proposed to increase recording fees to fund recordation modernization. Could these concepts be blended? The majority of Recorders discourage this approach.

Tiered access can be planned and effectively deployed for governments different from the general public and different from the real estate sector.

Many counties realize relatively little revenue from charging for data. Based on a growing body of experience, counties could expect an increase in resources and benefits using a different approach.

Strategic sharing can enhance value of attributes that are not generally available. Custom packages and other value-added services have the potential to yield higher returns than charging end users for data up front.

The Clerks need more and better digital maps to support efficient and accurate election consolidation activities. Funding for better parcel maps would make a significant difference in meeting the consolidation challenge by 2011.

Updated 11/09

References

Broad Use of Digital Parcel Maps and Property Tax Base Growth. Fair & Equitable, vol. 7, no. 3 (March 2009), pp. 3-9.

Idaho recording statistics provided by County Clerks and Recorders, 2008 (see below)

Strategic Plan for Development and Deployment of Idaho's Spatial Data Infrastructure and Business Plan for Development and Deployment of Idaho's Spatial Data Infrastructure, approved by ITRMC Feb. 2009 (http://gis.idaho.gov/igo/stratplan.htm).

2008 Document Recordings Involving Transfers of Title*

Ada	20000
Adams	359
Bannock	541
Bear Lake	792
Benewah	541
Bingham	2138
Blaine	1352
Boise	905
Bonner	4823
Bonneville	5333
Boundary	899
Butte	171
Camas	
Canyon	9606
Caribou	466
Cassia	1178
Clark	86
Clearwater	645
Custer	
Elmore	
Franklin	700
Fremont	
Gem	838
Gooding	800
Idaho	972
Jefferson	1391
Jerome	
Kootenai	9188
Latah	6800
Lemhi	837
Lewis	250
Lincoln	372

Updated 11/09 4

Madison	1220
Minidoka	1153
Nez Perce	1697
Oneida	353
Owyhee	668
Payette	1089
Power	461
Shoshone	994
Teton	1345
Twin Falls	4462
Valley	2025
Washington	574
	88024

^{*}Best estimates in some cases. Not all counties have provided data.

Updated 11/09 5